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October 29, 2014

BY ECF AND HAND DELIVERY

Honorable William H. Pauley III
United States District Judge
500 Pearl Street, Room 2210
New York, New York 10007-1312

Re: *In Re: Platinum and Palladium Commodities Litig.*, 10-cv-3617 (WHP) (S.D.N.Y.)/
Preliminary Approval Motion For Settlement with the Trustee of the Estate of MF
Global, Inc.

Dear Judge Pauley:

As an attorney for the Futures Plaintiffs, I am respectfully submitting this letter for the following reasons.

First, the Futures Plaintiffs report that they have agreed to settle the Class' claims against the last remaining Defendant in this action, MF Global Inc., acting through its Securities Investor Protection Act of 1970 ("SIPA") (15 U.S.C. §§ 78aaa et seq.) Trustee, James W. Giddens.

The consideration for such settlement includes cash payments of **\$4,672,500** and an allowed claim in the MF Global bankruptcy in the amount of **\$18,753,571.43**. The Futures Plaintiffs will consult with the Mediator under the Settlement Agreement, Professor Frances McGovern, regarding various options the Futures Plaintiffs have to monetize this Allowed Claim. Indications of interest or bids of 78 cents on each dollar of the Allowed Claim have so far been received.

Second, in order to start the class action settlement approval process, and pursuant to Section IV.A of Your Honor's Individual Practices, the Futures Plaintiffs respectfully enclose herewith one courtesy copy of the following papers filed today via ECF: (a) Notice of Motion; (b) The Futures Plaintiffs' Memorandum in Support of Motion for Preliminary Approval of Class Action Settlement; and (c) the Declaration of Christopher Lovell, Esq. in Support of Motion for Preliminary Approval of Settlement (with exhibits, including an unredacted copy of the Backstop Agreement, which is being filed with footnote 2 redacted). Plaintiffs respectfully request leave to file such partially redacted copy and to file the full Backstop Agreement, including footnote 2, after the Preliminary Approval motion has been decided.

Third, the Futures Plaintiffs respectfully request a page enlargement for their Memorandum in Support of Motion for Preliminary Approval of Class Action Settlement. The

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additional pages are devoted to a discussion of the Settlement, the complicated, additional bankruptcy documents, the right (but not obligation) of the Futures Plaintiffs to sell the Allowed Claim for 70¢ on the dollar on or before November 10, 2014, and the interplay between the Settlement herein and the previous settlement made by Plaintiffs with the non-bankrupt defendants, including Defendant Welsh.

Finally, to the extent it may be convenient for the Court, the Futures Plaintiffs and the SIPA Trustee jointly and respectfully request that the Court schedule this motion to be heard on or before November 15, 2014. This would permit the notice to the Class, should the Court be inclined preliminarily to approve this proposed settlement, to be sent out such that the Final Approval hearing before the Court of this Settlement and the earlier settlement with the Moore Capital Defendants could both be held on February 13, 2015. This request is made due to the Trustee's efforts to wrap up the administration of the SIPA proceeding for MF Global.

As always, the parties are available to appear before the Court or otherwise to answer any questions the Court may have.

Thank you very much.

Respectfully submitted,

/s/ Christopher Lovell

Christopher Lovell

cc: Counsel of Record (via ECF without enclosures)